

FEB 4 - 2016

Federal Communications Commission
Office of the SecretaryFederal Communications Commission
Washington, D.C. 20554

February 4, 2016

Via Electronic Mail

Yaron Dori
Michael Beder
Ani Gevorkian
Covington & Burling LLP
One CityCenter
850 Tenth Street, N.W.
Washington, DC 20001
ydori@cov.com
mbeder@cov.com
agevorkian@cov.com

DOCKET FILE COPY ORIGINAL

Tara M. Corvo
Christopher J. Harvie
Paul D. Abbott
Mintz Levin Cohen Ferris Glovsky and Popeo PC
701 Pennsylvania Avenue NW, Suite 900
Washington, DC 20004
tmcorvo@mintz.com
cjharvie@mintz.com
pdabbott@mintz.com

**Re: Applications Filed for the Transfer of Control of Cablevision Systems Corporation to
Altice N.V. (WC Docket No. 15-257)**

Dear Counsel:

On October 14, 2015, Altice N.V. (Altice) and Cablevision Systems Corporation (Cablevision) filed a series of applications pursuant to Sections 214 and 310(d) of the Communications Act of 1934, as amended,¹ seeking Commission approval for the transfer of control of Cablevision and certain subsidiaries to Altice.² In order for the Commission to complete its review of the applications and make the necessary public interest findings under Sections 214 and 310(d), we require additional information and clarification of certain matters discussed in the applications.

Accordingly, we ask that you provide written responses for each request set forth in the attached Information Request and, where appropriate, amend the lead application to reflect such responses. In order to expedite consideration of your application, please respond to the following requests pertaining to this proposed transaction by Thursday, February 18, 2016.

¹ 47 U.S.C. §§ 214, 310(d).

² See *Applications for Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, to Transfer Control of Authorizations from Cablevision Systems Corporation to Altice N.V.*, WC Docket No. 15-257 (filed Oct. 14, 2015) (Application).

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Your responses should be filed with Marlene H. Dortch, Secretary, Federal Communications Commission, under reference number WC Docket No. 15-257. The Wireline Competition Bureau (WCB) also should receive two copies of all filings addressed to Dennis Johnson, Competition Policy Division, Room 5-B155, dennis.johnson@fcc.gov. Please also send one copy of all filings to Brendan Holland, Media Bureau, Room 2-C165, brendan.holland@fcc.gov. In addition, please keep WCB Staff updated regarding any scheduling issues associated with the proposed transaction, including the timing associated with expected decisions in New York and New Jersey.

If you have any questions regarding this matter, please contact Jodie May or Dennis Johnson, Wireline Competition Bureau, at (202) 418-0913 or (202) 418-0809, respectively.

Sincerely,

A handwritten signature in dark ink, appearing to read "D. Kahn", is written over the printed name.

Daniel Kahn
Acting Chief, Competition Policy Division
Wireline Competition Bureau

Attachment

INFORMATION REQUEST-WC DOCKET NO. 15-257

1. List current state and municipal regulatory proceedings addressing Altice's proposed acquisition of Cablevision, their current status and expected timeline for resolution, and identify the issues that are under review in the proceedings.
2. Please describe the relationship, if any, between the financial status of Cablevision post-transaction and Cablevision's ability to maintain or improve its network and customer service quality post-closing.
3. Provide pro forma financials (balance sheet, income statement, and combined statement of operations), substantially in accordance with SEC Regulation S-X, Article 11 (as if Altice were regulated by the Securities and Exchange Commission), incorporating in such financials both Altice's acquisition of Cequel Corporation d/b/a Suddenlink (Suddenlink) and the current transaction with Cablevision.
4. Moody's Investor Service recently downgraded Altice N.V. after announcing several large-scale acquisitions, including the acquisition of Cablevision. Please explain the impact of this downgrade or any other possible rating actions by Moody's or other major credit rating agencies such as Standard and Poor' and Fitch Group on Cablevision's financial health post-acquisition. Provide a comparison of Altice's anticipated debt levels after financing the transaction compared to those of the top eight U.S. cable companies based on publicly available information, and explain all underlying data and calculations on which this comparison is based.
5. Altice states that that it expects long term benefits stemming from network investment and that it plans to upgrade the Cablevision infrastructure by pushing fiber deeper into the network. Provide, with as much specificity as possible and as of the date Applicants filed their applications in this proceeding, October 14, 2015:
 - a. The number of households Cablevision's in-footprint network passes.
 - b. To how many (and what percentage of) households within its footprint has Cablevision deployed broadband? At what speeds are the services currently available to those households?
 - c. How many in-footprint households would be upgraded post-transaction to higher download speeds and when? Indicate the difference between this response and Cablevision's current plans.
 - d. How many in-footprint households would be upgraded post-transaction to fiber and when? Indicate the difference between this response and Cablevision's current plans.
 - e. How many out-of-footprint households would be additionally served post-transaction? Indicate the difference between this response and Cablevision's current plans.
 - f. Describe with specificity any synergies claimed that would support the merger-specific changes listed above.

- g. Describe any risks to the merger-specific changes listed above, including any risks that may arise from Altice's investments outside of the United States.
- 6. For the purposes of this question, please see the definitions provided below.
 - a. Provide a list of all Interconnection Agreements, formal or informal, Cablevision and Suddenlink have entered into with any entity (including CDNs, edge providers, Internet Access Service providers and Internet Backbone Services providers) that are currently in effect. For each agreement on the list, identify and describe the capacity, the parties to the agreement, whether the interconnection is Peering (on-net) or Transit (off-net) Service traffic, and the financial terms associated with each Interconnection Agreement.
 - b. Explain whether the transaction will change the ability of Cablevision or Suddenlink to impose Paid Peering requirements on third parties, including edge providers.
 - c. Explain how the transaction will affect the capacities and utilizations of the settlement-free routes into Cablevision and Suddenlink, and the number of points of presence where the merged entity would interconnect with transit providers.
 - d. Explain in detail how the current Peering policies of Cablevision and Suddenlink will change as a result of Altice's proposed acquisition of Cablevision.
- 7. Describe, and produce all documents relating to, reflecting, or describing, Cablevision's and Suddenlink's respective pricing of integrated and unintegrated cable modems, and billing policies and practices, in effect at any time between January 1, 2013 and the present.
- 8. Separately for each cable modem billing policy or practice identified, state:
 - a. when Cablevision or Suddenlink, respectively, established the policy or practice and the reasons for the policy or practice and altering or abandoning any prior policy or practice;
 - b. any change to the policy or practice that has occurred at any time since January 1, 2013, including but not limited to, the date when the change in policy or practice took effect and the reasons for the change; and
 - c. all effects that the transaction, if consummated, would have on any policy or practice.
- 9. Provide information on instances, at any time since January 1, 2013, where Cablevision or Suddenlink has not included a separate line-item fee for a cable modem that it leases, sells, or otherwise provides to Internet access service subscribers on the subscriber's bill. For instances where Cablevision or Suddenlink has provided a separate line-item fee for cable modems since January 1, 2013, state the amount and frequency of the fee for each cable modem model and provide documents sufficient to show such charges as they were reflected on subscriber bills. For each cable modem rental or lease fee rate change occurring since January 1, 2013, please explain the reason for that change and provide documents relating to, reflecting, or describing the reasons for this rate change.
- 10. State whether, at any time since January 1, 2013, Cablevision or Suddenlink have provided any service discount or account credit, or did not assess a cable modem rental or lease fee to an Internet access service subscriber that uses a non-company provisioned cable modem. If so,

please state the amount and frequency of that discount or credit. Provide documents sufficient to show such charges as they were reflected on subscriber bills.

11. Describe, and produce all documents relating to, reflecting, or describing, Altice's plans for the pricing of integrated and unintegrated cable modems on either the Cablevision or Suddenlink systems, and proposed billing policies and practices, that Altice intends to utilize following closing of the transaction.
12. For Cablevision and Suddenlink, submit one copy of the companies' existing Form 477 data filings for 2014 and 2015, and indicate when the companies plan to make their next scheduled filings.

Definitions

- The term "Content Delivery Network" or "CDN" means a distributed system of servers that cache content closer to end users.
- The term "documents" means all computer files and written, recorded, and graphic materials of every kind in the possession, custody, or control of the Company. The term "documents" includes without limitation, electronic correspondence, metadata, embedded, hidden and other bibliographic or historical data describing or relating to documents created, revised, or distributed on computers systems, and all duplicates of documents (whether or not identical) in the files of or in the files maintained on behalf of all directors, officers, managers or other supervisory employees, duplicates of documents in all other files that are not identical duplicate of the originals, and duplicates of documents the original of which are not in the possession, custody, or control of the Company. The term "documents" includes spreadsheets, as well as underlying cell formulae and other codes. In addition, the term "documents" includes without limitation any amendments, side letters, appendices, or attachments. The term "computer files" includes without limitation information stored in, or accessible through, computer or other information retrieval systems. Thus, the Company should produce documents that exist in machine-readable form, including documents stored in personal computers, portable computers, workstations, minicomputers, mainframes, servers, backup disks and tapes and archive disks and 39 tapes, and other forms of offline storage, whether on or off the Company's premises. Electronic mail messages should also be provided, even if only available on backup or archive tapes or disks. Computer files shall be printed and produced in hard copy or produced in machine readable form (provided that Commission staff determine prior to submission that it would be in a format that allows the Commission to use the computer files), together with instruction and all other materials necessary to use or interpret the data. Unless otherwise specified, the term "documents" excludes bills of lading, invoices, purchase orders, customs declarations, and other similar documents of a purely transactional nature and also excludes architectural plans and engineering blueprints. Where more than one identical copy of a requested document exists, the Company shall only produce one representative copy.
- The term "Edge Provider" means entities that provide content, applications, or services over the Internet, and include but are not limited to Online Video Distributors, gaming companies, and Voice over Internet Protocol ("VoIP") providers that rely on the Internet to provide service.
- The term "Interconnection Agreement" means an agreement for the purchase of Transit Service, the sale of Transit Service, Settlement-Free Peering, Paid Peering, or equivalent agreements.
- The term "Internet Access Service" means the provision to end users of connectivity to the Internet by any means, including, for instance, hybrid-coaxial, optical fiber or coaxial cable, xDSL, satellite systems, fixed or mobile wireless services, ultra-high frequency microwave (sometimes referred to as "LMDS"), or multichannel multipoint distribution services ("MMDS").

- The term "Internet Backbone Services" means services that route traffic between Internet Access Service , other Internet Backbone Services, Edge Providers, and CDNs, and, when exchanging traffic with third-party services or networks, the exchange of traffic by means of Settlement-Free Peering, Paid Peering, or Transit Service.
- The term "Paid Peering" is Peering in which one Peer pays another for the exchange of traffic. Paid Peering is sometimes referred to as "Non Transit" interconnection.
- The term "Peer" means a person who is a party to a Peering arrangement.
- The term "Peering" means an interconnection arrangement between persons, pursuant to which Internet traffic is exchanged between persons and their customers, however, there is no Transit Service through networks to other Peers or Transit Service providers.
- The term "Settlement-Free Peering" means peering where there are no payments exchanged between network providers for the exchange of traffic.

The term "Transit Service" means a service arrangement where a customer pays the Internet Backbone Services provider to send and receive traffic to and from destinations that can be either on or off the provider's network.